



IDAHO POWER COMPANY  
P.O. BOX 70  
BOISE, IDAHO 83707

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IDAHO PUBLIC  
UTILITIES COMMISSION  
PATRICK A. HARRINGTON  
Corporate Secretary

Ms. Jean D. Jewell  
Secretary  
Idaho Public Utilities Commission  
Statehouse  
Boise, Idaho 83720

March 11, 2016

Re: In the Matter of the Application of Idaho Power Company for an Order  
Authorizing the Issuance and Sale of up to \$500,000,000 of Idaho Power's  
First Mortgage Bonds and Debt Securities

Case No. IPC-E-15-04

Dear Ms. Jewell:

On March 11, 2016, Idaho Power Company issued \$120 million of secured Medium-Term Notes ("MTNs"), as authorized under the Commission's Order No. 33264 in the above referenced case. The MTNs were issued in the form of \$120 million Idaho Power Company 4.05% First Mortgage Bonds due 2046. Enclosed for filing with the Commission in connection with the issuance of the MTNs are four copies of Pricing Supplement No. 2 and the Final Term Sheet for the MTNs.

Please contact me at 388-2878 if you have any questions regarding this filing.

Sincerely,

Patrick A. Harrington

c: Terri Carlock-IPUC w/attachments

**Final Term Sheet**

**4.05% First Mortgage Bonds due 2046**  
**Secured Medium-Term Notes, Series J**

**IDAHO POWER COMPANY**

Issuer: Idaho Power Company

Trade Date: March 7, 2016

Original Issue Date/Settlement Date: March 10, 2016, which is the third business day following the Trade Date

Principal Amount: \$120,000,000

Price to Public: 99.742% of Principal Amount, plus accrued interest from the Original Issue Date

Purchasers' Discount: 0.75%

Proceeds to the Company: 98.992%

Interest Rate: 4.05% per annum

Anticipated Ratings:\*

Standard & Poor's Ratings Services: "A-"

Moody's Investors Service: "A1"

Anticipated Use of Proceeds: To pay at or prior to maturity \$100 million of Idaho Power Company's 6.15% First Mortgage Bonds due April 2019 and to fund a portion of Idaho Power Company's capital requirements. If Idaho Power Company does not use the net proceeds immediately, it will temporarily invest them in short-term investments.

Interest Payment Dates: March 1 and September 1, commencing September 1, 2016

Redemption: As specified in Pricing Supplement No. 2 dated March 7, 2016

Make-whole Call: Prior to September 1, 2045, the greater of (i) 100% of the principal amount to be redeemed and (ii) an amount to be determined using a discount rate equal to the Treasury Rate plus 25 basis points

Par Call: On or after September 1, 2045, 100% of the principal amount to be redeemed

Maturity Date: March 1, 2046

CUSIP: 45138LBE2

Purchasers:

Wells Fargo Securities, LLC (\$31,200,000)

J.P. Morgan Securities LLC (\$25,200,000)

KeyBanc Capital Markets Inc. (\$25,200,000)

Mitsubishi UFJ Securities (USA), Inc. (\$25,200,000)

Merrill Lynch, Pierce, Fenner & Smith

Incorporated (\$5,400,000)

U.S. Bancorp Investments, Inc. (\$5,400,000)

BNY Mellon Capital Markets, LLC (\$2,400,000)

\* A securities rating is not a recommendation to buy, sell or hold securities and may be subject to review, revision, suspension or withdrawal at any time.

*The issuer has filed a registration statement (including a prospectus) with the SEC for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents the issuer has filed with the SEC for more complete information about the issuer and this offering. You may get these documents for free by visiting EDGAR on the SEC Web site at [www.sec.gov](http://www.sec.gov). Alternatively, the issuer, any underwriter or any dealer participating in the offering will arrange to send you the prospectus if you request it by calling J.P. Morgan Securities LLC, collect at 1-212-834-4533, Key Banc Capital Markets Inc., toll free at 1-866-227-6479, Mitsubishi UFJ Securities (USA), Inc., toll free at 1-877-649-6848 or Wells Fargo Securities, LLC, toll free at 1-800-645-3751.*

**CALCULATION OF REGISTRATION FEE**

Title of each class of securities offered	Maximum aggregate offering price	Amount of registration fee(1)
4.05% First Mortgage Bonds due 2046	\$119,690,400	\$12,052.83

(1) The filing fee is calculated in accordance with Rule 457(r) under the Securities Act of 1933, as amended.

Pricing Supplement No. 2 Dated March 7, 2016  
(To Prospectus dated May 22, 2013 and  
Prospectus Supplement dated July 12, 2013)  
relating to First Mortgage Bonds,  
Secured Medium-Term Notes, Series J

**\$120,000,000**  
**IDAHO POWER COMPANY**  
**4.05% First Mortgage Bonds due 2046**

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Title of Securities:	4.05% First Mortgage Bonds due 2046 (the "Notes")
Principal Amount:	\$120,000,000
Price to Public:	99.742% payable in immediately available funds, plus accrued interest from the Original Issue Date
Purchasers' Discount:	0.75%
Proceeds to Us after Discount:	98.992%
Interest Rate:	4.05% per annum
Original Issue Date:	March 10, 2016
Original Interest Accrual Date:	March 10, 2016
Interest Payment Dates:	March 1 and September 1, commencing September 1, 2016
Record Dates:	February 15 and August 15
Maturity Date:	March 1, 2046
Redemption:	See "Optional Redemption" below
Form:	Book-Entry

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**J.P. Morgan**  
**KeyBanc Capital Markets**  
**MUFG**  
**Wells Fargo Securities**  
**BofA Merrill Lynch**  
**US Bancorp**  
**BNY Mellon Capital Markets, LLC**

**Optional Redemption:**

We may, at our option, redeem the Notes, in whole at any time, or in part from time to time, prior to the maturity date, as follows:

- Prior to September 1, 2045, at a redemption price equal to the greater of:
  - 100% of the principal amount of the Notes to be redeemed, and
  - as determined by an Independent Investment Banker, the sum of the present values of the remaining scheduled payments of principal on the Notes to be redeemed and interest thereon (not including any portion of payments of interest accrued as of the date fixed for redemption), discounted to the date fixed for redemption on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate (as defined below), plus 25 basis points,
- On or after September 1, 2045, at a redemption price equal to 100% of the principal amount of the Notes to be redeemed,

plus in any case interest accrued and unpaid on the principal amount of the Notes to be redeemed to the date fixed for redemption.

We will mail notice of any redemption at least 30 days before the date fixed for redemption to each registered holder of the Notes to be redeemed.

“Treasury Rate” means, with respect to any date fixed for redemption, the rate per annum equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such date.

“Comparable Treasury Issue” means the United States Treasury security selected by an Independent Investment Banker as having a maturity comparable to the remaining term of the Notes to be redeemed that would be used at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the Notes to be redeemed.

“Comparable Treasury Price” means, with respect to any date fixed for redemption, (a) the average of the Reference Treasury Dealer Quotations for such date, after excluding the highest and lowest such Reference Treasury Dealer Quotations for such date, or (b) if the Corporate Trustee obtains fewer than four such Reference Treasury Dealer Quotations, the average of all the quotations received.

“Independent Investment Banker” means any one of the Reference Treasury Dealers that we may appoint.

“Reference Treasury Dealer Quotations” means, with respect to each Reference Treasury Dealer and any date fixed for redemption, the average, as determined by the corporate trustee, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the corporate trustee by such Reference Treasury Dealer at 5:00 p.m. New York City time on the third business day preceding the date fixed for redemption.

“Reference Treasury Dealer” means (1) each of J.P. Morgan Securities LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated and a Primary Treasury Dealer (as defined below) selected by Wells Fargo Securities, LLC, and their respective successors, unless any of them ceases to be a primary U.S. Government securities dealer in New York City (a “Primary Treasury Dealer”), in which case we will substitute another Primary Treasury Dealer and (2) any other Primary Treasury Dealers that we may select.

**Supplemental Plan of Distribution and Terms Agreement:**

We have entered into a terms agreement with the purchasers of the Notes with respect to the Notes. The purchasers are committed to take and pay for all of the Notes if any are purchased. Subject to certain conditions, each purchaser has severally agreed to purchase the principal amount of the Notes indicated in the table below:

Name	Principal Amount of Notes
Wells Fargo Securities, LLC	\$ 31,200,000
J.P. Morgan Securities LLC	25,200,000
KeyBanc Capital Markets Inc.	25,200,000
Mitsubishi UFJ Securities (USA), Inc.	25,200,000
Merrill Lynch, Pierce, Fenner & Smith Incorporated	5,400,000
U.S. Bancorp Investments, Inc.	5,400,000
BNY Mellon Capital Markets, LLC	2,400,000
Total	<u>\$ 120,000,000</u>

The Notes sold by the purchasers to the public will initially be offered at the initial price to the public set forth on the cover of this pricing supplement. Any Notes sold by the purchasers to securities dealers may be sold at a discount from the initial price to the public of up to 0.50% of the principal amount of the Notes. Any such securities dealers may resell any Notes purchased from the purchasers to certain other brokers or dealers at a discount from the initial price to the public of up to 0.25% of the principal amount of the Notes. In addition to the issuance of the Notes, Idaho Power Company has \$250 million in principal amount of 3.65% First Mortgage Bonds, Secured Medium-Term Notes, Series J, maturing on March 1, 2045, outstanding.

Some of the purchasers or their affiliates (i) participate in our commercial paper program and may from time to time hold our commercial paper and (ii) are lenders and/or agents under our credit agreement, dated as of November 6, 2015.

**Interest Payment Dates:**

We will make interest payments on the Notes on March 1 and September 1 of each year, commencing September 1, 2016, and at maturity. The record date for the March 1 payment of interest will be February 15 and the record date for the September 1 payment of interest will be August 15.

**Use of Proceeds:**

The purchasers will pay the proceeds from the sale of the Notes, net of the purchasers' discount, to us in immediately available funds. After our receipt of these proceeds, the Notes will be credited to the purchasers' accounts at The Depository Trust Company free of payment.

We estimate that we will receive net proceeds from the sale of the Notes of approximately \$118.4 million, after deducting all applicable discounts, including the purchasers' discount and discounted price to the public, and estimated offering expenses. The expenses of the sale of the Notes, not including discounts, are estimated at \$360,000 and are payable by us. We anticipate using the net proceeds from the sale of the Notes to pay at or prior to maturity \$100 million of our 6.15% first mortgage bonds due April 2019 and to fund a portion of our capital requirements. If we do not use the proceeds immediately, we will temporarily invest them in short-term investments.

**Legal Matters:**

Rex Blackburn, our Senior Vice President and General Counsel, and Perkins Coie LLP, Seattle, Washington, will pass upon the validity of the Notes and other legal matters for us. Sullivan & Cromwell LLP, New York, New York, will pass upon the validity of the Notes for the purchasers listed under "Supplemental Plan of Distribution and Terms Agreement." As of February 24, 2016, Mr. Blackburn beneficially owned 30,456 shares of IDACORP, Inc. common stock. Mr. Blackburn is acquiring additional shares of IDACORP, Inc. common stock at regular intervals through employee stock plans.